



STATE APPEAL BOARD APPROVES REFUND TO FEDERAL GOVERNMENT

Refund to the Federal Government. During a review of the FY 2015 Statewide Indirect Cost Allocation Plan by the federal Department of Health and Human Services, it was discovered that from FY 2010 through FY 2015, the Department of Administrative Services (DAS) Information Technology Enterprise/ Office of the Chief Information Officer (OCIO)-Storage had accrued excess federal dollars as part of the fund balance for the fiscal year ending June 30, 2015. A review of the FY 2016 Plan determined that the excess fund balance had not been eliminated and that a refund totaling \$1,121,927 was due to the federal government. The state agreed to the refund amount. A letter from the federal government requesting payment was dated May 17, 2016, with payment due 30 days from the date of the notification. The claim was approved to be paid through the State Appeal Board process, and a check was issued on June 8, 2016. The State Accounting Enterprise is currently working on the FY 2017 Statewide Indirect Cost Allocation report. The OCIO is currently reviewing its rates to determine if any adjustments are necessary.

The federal Department of Health and Human Services (DHHS) conducts an annual audit to review the billing methodologies of one central service in state government to ensure fairness and equitability among all funding sources paying for the service. When billing methodologies are identified as inconsistent or inequitable, state representatives work with the DHHS to negotiate any amounts of overpayment of federal funds, initiate corrective action when necessary, and work with appropriate departments to pay back any identified federal overpayments.

More Information. Additional information is available from the Legislative Services Agency upon request.

STAFF CONTACT: Jennifer Acton (515-281-7846) jennifer.acton@legis.iowa.gov